Credit flow to business enterprises in Andhra Pradesh

2394. SHRI PENUMALLI MADHU: Will the Minister of FINANCE be pleased to state:

(a) whether Government has increased any credit flow from the banks to micro, small and medium enterprises;

(b) if so, the details of increase in credit flow pertaining to these enterprises in Andhra Pradesh; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir. The outstanding credit given by the Public Sector Banks to the micro, small and medium enterprises has increased from Rs. 1,46,719 crore as at the end of March, 2006 to Rs. 1,84,589 crore as at the end of March, 2007, thus showing a growth of 25.81%.

(b) The outstanding credit given by the Public Sector Banks to the micro and small enterprises in the State of Andhra Pradesh has increased from Rs. 5089 crore as at the end of March, 2006 to Rs. 6834 crore as at the end of March, 2007. Reserve Banks of India does not capture data on medium enterprises state-wise.

(c) Does not arise.

Introduction of VAT system in Uttar Pradesh

†2395. SHRI BANWARI LAL KANCHHAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware that the State Government of Uttar Pradesh has introduced Value Added Tax (VAT) system;

(b) whether it is a fact that the VAT system introduced in Uttar Pradesh is different from those introduced in the neighbouring States and the local businessmen and the general public are feeling oppressed due to this;

(c) whether Government would issue any direction to the State Government of Uttar Pradesh in this regard; and

(d) if so, by when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir.

(b) The VAT system introduced in Uttar Pradesh conforms to the basic convergence parameters for VAT as identified by the Empowered Committee of State Finance Ministers. However, State VAT, being a State subject by virtue of Entry 54 of List-II in the VII-Sechedule of the Constitution of India, minor variations may exist between different State VAT laws enacted by the respective State Legislatures.

(c) and (d) Does not arise in view of reply to Part (b) above.

† Original notice of the question was received in Hindi.